

## I. Reply to Examiner's Arguments

The Examiner argues that the Levine and Tengal are analogous art. The Examiner's argument that Levine is analogous to Tengal is grounded in the discussion in Levine regarding a "loan life cycle" together with the Examiner's unsupported assertion that "finacial [*sic*] institutions are conversant in all aspects of the "loan life cycle" contrary to the applicant's suggestion that they are not." (Examiner's Answer, page 6). In response to this assertion, the Appellant offers the following analysis to supplement that set forth in the Appeal Brief.

In the first place, the Appellant respectfully points out that individuals are inventors and institutions are not. Thus, to attribute the knowledge of a financial institution to a person of ordinary skill in the pertinent art does not satisfy the requirement of 35 U.S.C. §103(a) that a patent may not be obtained if the differences between the subject matter of the patent and the prior art would have been obvious "to a *person* having ordinary skill in the art to which the subject matter pertains." (Emphasis added). Notwithstanding that a financial institution may have a broad number of categories of businesses; a person skilled in the loan origination business working within that institution would not be held to the standard of being required by 35 U.S.C. §103(a) to look to art relevant to the business of buying and selling financial products for a teaching or suggestion regarding the consolidation of student loans. Nor would a person skilled in the business of buying and selling financial products be motivated or required to look to the business of loan origination to consider how the use of the Internet can be used for the consolidation of student loans.

Further analysis also raises the question of whether a person of ordinary skill in the pertinent art would be motivated to combine references even with the combined knowledge of Tengal and Levine. Although the Examiner states that Levine discloses loan consolidation, a careful reading of

the text cited by the Examiner in support of this statement does not indicate that Levine teaches or suggest the consolidation of loans. The cited passage discusses the origination of non-conforming loans and uses as an example the fact that people secure such loans for the purpose of paying off credit card debts. The borrower secures an entirely new loan with few or none of the characteristics of the credit card debts being paid off. Because the characteristics of the loan itself are so different, Appellant questions whether this could even be considered a loan consolidation as such term is used in the Appellant's patent application. The Examiner goes on to give as a reason for the motivation to combine references as the financial advantages of loan consolidation as set forth in column 2, lines 1-5 of Levine. What is described in column 2, lines 1-5 are not financial advantages of a consolidation of existing loans of one type into a new consolidated loan, but the advantages secured by changing the entire characteristics of the loan itself. Levine points out the financial advantage of converting a loan from a personal loan, on which interest is not deductible for federal income tax purposes, to a loan secured by a personal residence on which interest is deductible. This is not a motivation to combine the two references and, in fact, suggests that a borrower should not combine loans but, instead, should take out a real estate loan on a personal residence to pay off his or her student loans so they can obtain the tax advantages associated with such a loan. Thus, this passage actually teaches away from a combination of the two references.

The Examiner refers to column 3, lines 7-28, of Levine as addressing all aspects of a loan life cycle. The Appellant suggests that the question is not whether the cited reference addresses the life cycle of a loan but whether a person of ordinary skill in the business of loan origination would have any reason to look to a reference addressing the wholesaling (col. 3, lines 29-49) and marketing of existing loans. Although Levine discusses the loan cycle, such discussion is entirely within the

context of buying and selling existing loans that have been securitized and not with the process of loan origination.

## II. Conclusion

For the reasons set forth above, the Claims are patentably nonobvious over Tengal in view of Levine and Mottola. Accordingly, the Appellant respectfully requests that the Board of Patent Appeals and Interferences reverse the Examiner's Final Rejection of all of the Appellant's pending claims.

Respectfully submitted,



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